BellSouth EDI Performance
August 9, 1997 through October 7, 1997
Intermedia Communications Inc.
October 8, 1997

Total Orders Submitted (Region): 552

Firm Order Commitments Outstanding* (Region): 204

Percentage of Total Firm Order Commitments Outstanding (Region): 37%

South Carolina Orders Submitted: 16

Firm Order Commitments Outstanding (SC): 4

Percentage of Total Firm Order Commitments Outstanding (SC): 25%

*BellSouth Commitment for Firm Order Commitment is 48 Hours.

BellSouth EDI Performance
August 9, 1997 through October 7, 1997
Outstanding Order Breakdown*

Date	Orders Outstanding
August 9, 1997	1
August 25, 1997	3
August 27, 1997	1
August 29, 1997	4
Total Outstanding August	**9**
September 2, 1997	1
September 3, 1997	3
September 4, 1997	1
September 5, 1997	1
September 8, 1997	4
September 9, 1997	8
September 10, 1997	5
September 11, 1997	2
September 12, 1997	1
September 15, 1997	23
September 16, 1997	13
September 17, 1997	5
September 18, 1997	5
September 19, 1997	1
September 22, 1997	1
September 23, 1997	20
September 24, 1997	1
September 25, 1997	8
September 26, 1997	3
September 29, 1997	16
September 30, 1997	1
Total Outstanding September	**123**
October 1, 1997	16
October 2, 1997	30
October 3, 1997	26
Total Outstanding October	**72**

1   Q   Atlanta?

2   A   -- don't have a particular time table.

3   Q   I'm sorry to interrupt you. And LENS?

4   A   Okay. Right now LENS has been on I believe a

5 monthly release schedule starting in about the middle of

6 June. The next scheduled release is this weekend. So it's

7 been about monthly which is the same as BellSouth's RNS

8 system.

9   Q   Are there mechanisms in place for informing the

10 CLECs of changes in its interfaces?

11   A   The way that the changes in the LENS interface

12 have been communicated thus far have been in what appear to

13 me -- I don't have a schedule but in thinking about the

14 schedule it looks like we've been having regular meetings

15 with the CLECs -- conferences in which the CLECs have been

16 invited and provided updates to the LENS User Guide and also

17 disseminating information through the account teams. I

18 would expect a more formalized process as we go forward.

19   Q   When was the last time the LENS interface was

20 changed?

21   A   In the production system I believe it was the 16th

22 of June.

23   Q   How about the EXACT system?

24   A   I really don't know.

25   Q   The EDI system?

1   A   Sometime in the last six months.

2   Q   Let's go back to your earlier demonstration.   You

3 said something about as-is conversion, something was going

4 to happen on Friday.   What is that about?

5   A   That's the next release, the next software release

6 of LENS and we're making some changes in the system such as

7 the one I described there.

8   Q   When did you know that that was going to change?

9   A   I don't know the exact date.   Some time in the

10 last month.

11   Q   Some time in the last month?

12   A   I believe that some time in the last month, yes.

13   Q   When were you planning to inform the CLECs of this

14 change?

15   A   As far as I know that would have been done at the

16 CLEC conference that was held -- I think it was June 24th

17 and 25th.

18   Q   Is there any documentation that you provide to the

19 CLECs when some of these interfaces change?

20   A   The LENS User Guide.   For example in this case the

21 LENS User Guide would be updated to reflect that change.

22 There is also a section in the LENS interface itself called

23 release notes on the main menu that can be clicked on and it

24 is my understanding that that will be updated along with the

25 changes that are actually in the release.

1   Q   Between the time you learn of the change in

2 interface and the time you distribute the proper

3 documentation, give me the time frame between those two

4 milestones. For instance, with respect to EXACT.

5   A   Actually, I don't know that I can do that for

6 EXACT. I believe the documentation on EXACT is maintained

7 by Bell Corp.

8   Q   How about for LENS?

9   A   For LENS, I'm not sure I can do that either, but

10 for a different reason. For example, it's my understanding

11 that the Commission, this Commission, released its order

12 Friday afternoon -- its written order saying we could turn

13 up the customer service record in Georgia, so effectively we

14 knew that today, but we want to move that out as quickly as

15 possible. So we'll be making that available this weekend.

16   Q   And the answer will be the same for LENS?

17   A   That was the answer for LENS.

18   Q   How about EDI? I'm sorry.

19   A   Oh, for EDI I think everyone in the industry has

20 approximately the same notice because of the fact that the

21 changes to EDI are being driven by the industry and the

22 ordering and billing form.

23   Q   What is the LCSC? You mentioned something about

24 LCSC. LCSC?

25   A   Where did I mention it?

1   Q   No, what is it?

2   A   In my prefiled testimony is there a reference?

3   Q   Uh-huh. What is it?

4   A   Could you tell me --

5   Q   What is LCSC?

6   A   LCSC is the local carrier service center.

7   Q   What is the -- Is LCSC involved in all this

8 process at all?

9   A   It can be.

10   Q   Which LCSC serves CLECs in Georgia?

11   A   I don't know. There are two local carrier service

12 centers, but I'm not really the expert on the local carrier

13 service center. Probably I would defer those questions to

14 Mr. Stacy.

15   Q   Do you know where the LCSCs are right now?

16   A   I believe there is one in Atlanta and one in

17 Birmingham.

18   Q   Do you conduct an evaluation of the performance of

19 your LCSC personnel?

20   A   I don't, no. I have no responsibility for the

21 LCSC.

22   Q   Who might know?

23   A   Again, Mr. Stacy, I think.

24   Q   Mr. Stacy would. Very well. Let's go to page 29

25 of your testimony. On page 29 of your testimony you

1 indicate that BellSouth is still working to provide CLECs

2 with online access to CSRs, is that correct?

3 A   Yes.

4 Q   Is that still true?

5 A   Yes, as I said earlier, in view of this

6 Commission's release Friday of its written order allowing us

7 to make this capability available for Georgia we are in the

8 process now of making it available.

9 Q   On page 30 of your testimony you indicate that you

10 have developed a proposal for customer record access that

11 has been shared with Georgia's Consumer Utilities' Counsel,

12 AT&T, MCI and Sprint. Is that still -- Is that accurate?

13 A   Yes. That was the requirement from the

14 arbitration orders with those parties.

15 Q   Have you shared the proposal with any other CLEC

16 other than the carriers we have just mentioned?

17 A   I don't know.

18 Q   Who would know?

19 A   I don't know for sure, but I can find out.

20 Q   What is your criteria for determining which CLECs

21 must receive certain documents and certain information? Do

22 you have any criteria that you use?

23 A   All information is available to all CLECs. In

24 this particular case this issue was arbitrated with those

25 three parties and so the Commission had directed us to

1 cetera, and make that determination and

2 give it -- and provide it back to the

3 carrier.

4 Q. I'm sorry, did you just say that subloop

5 was not available through the SGAT?

6 A. Correct. Other than through the Bona

7 Fide Request Process.

8 Q. But it's listed in the SGAT?

9 A. Under the Bona Fide Request Process.

10 Q. So if I called up BellSouth under your

11 SGAT today and said, give me some of that

12 unbundled loop, I could not get it?

13 A. You would go through the Bona Fide

14 Request Process.

15 Q. Is interconnection at an IDLC, does that

16 constitute line-side loop unbundling that

17 supports a multi-host environment, i.e.,

18 modification of the TR-303 industry

19 standard to extend that standard to the

20 local loop environment?

21 A. I don't know, sir.

22 Q. Now, at a few different points in your

23 testimony you talk about standard

1   provisioning intervals for different

2   kinds of services. On page 49 you refer

3   to installation intervals from one to

4   seven days for switching. On page 75,

5   intervals of seven days for number

6   portability. On page 80, often within 24

7   hours for interim number portability.

8   Where did you get that information?

9 A.   It was supplied to me from the parties --

10   or the people within our company who were

11   developing those specific kinds of

12   details.

13 Q.   All of those -- all three of those

14   services that we just discussed are

15   provisioned through the BellSouth LCSC;

16   is that not true?

17 A.   Yes, I believe they are, sir.

18 Q.   Is the performance of the LCSC then

19   critical to determining what those

20   provisioning intervals are?

21 A.   I don't know that the LCSC would be the

22   most critical component. It's certainly

23   a piece of the component, no doubt. Most

1   of these or all three of these, I believe

2   that you cited, require physical work.

3   So I would say the most critical aspect

4   would be the actual physical work being

5   done. But I agree with you, the LCSC

6   would be part of the equation.

7 Q. In establishing -- in discussing these

8   installation -- and also let me ask, are

9   other installation intervals computed the

10   same way, let's say for DS-1 loops and

11   things like that?

12 A. They're not the same standards --

13 Q. Right.

14 A. -- but, yes, they would be determined in

15   the same -- in a comparable manner, yes.

16 Q. For those other services, let's say

17   unbundled DS-1 loops, 56 kilobit digital

18   loops, ISDM, ADSL, is the functioning of

19   the LCSC something that impacts the

20   provisioning interval for those services?

21 A. I think it could. Again, I wouldn't call

22   it the most vital aspect of the

23   provisioning interval since that work

ANALYSIS CONDUCTED FOR
BELLSOUTH - LCSC
ATLANTA, GA - BIRMINGHAM, AL
MARCH 3, 1997 - MARCH 13, 1997

TABLE OF CONTENTS

Mr Edward A. English   March 13, 1997
Senior Director - Interconnection Services
BellSouth Telecommunications
675 West Peachtree Street
Atlanta, GA 30375

Dear Mr. English:

Thank you for the opportunity you provided us to analyze the BellSouth LCSC operations in
Atlanta, GA and Birmingham, AL. Our objective was to determine whether we could make a
worthwhile application of our systems and training installations, designed to reduce costs while
improving manager, supervisor and employee effectiveness.

We realize that many of the thoughts we express may have been previously considered by your
management group. Your ideas, combined with ours and developed through full participation
during the course of the program, will assure maximum results. We consider our ability to install
our proposals, achieving predictable and measurable results, to be the most important factor in
our usefulness to you.

In our presentations, we have not taken time praising the many good points we have seen,
because only by facing the weaknesses, and correcting them, can valuable results be obtained.
Our program will consist of working with your people to correct the weaknesses we have
outlined. Naturally, our preliminary analysis can only outline areas inviting more detailed study in
the application of the principles we propose.

Although we feel there will be enormous productivity and service level gains from the
implementation of our management operating system and employee skills training programs, we
are not able to put a financial value on them because of the lack of a historical base to measure
against. We will, however, measure and track the actual levels of productivity and service to
ensure that acceptable levels are achieved.

Please note that we are not attempting to put a financial value on the many collateral benefits that
will come about as a result of this program, such as stronger teamwork, quality and service
awareness, and ongoing improvements made by your people using this process.

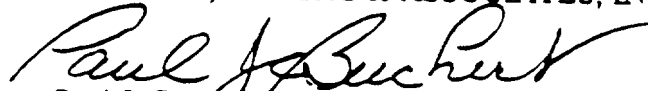002769

Mr English
March 13, 1997

The total cost for the development, training and installation of this program is Seven Hundred Ninety Two Thousand Dollars ($792,000). We anticipate spending 22 consecutive calendar weeks on your premises, invoicing you Thirty Six Thousand Dollars ($36,000) per week. All invoices are payable weekly as invoiced. You may discontinue this program at any point and will only be charged for time spent to date.

In the eighteenth week of our program, we will be prepared to discuss the need for transition with our Continuous Improvement Services Group. The purpose of this service is to provide a limited, on-going, follow-up with your people to ensure that the performance improvements are maximized and do not deteriorate over time. The extent and cost for this optional service will be determined at this time.

So that we may use staff members already familiar with your operations and this proposal, we would appreciate your authorization to proceed today. If we are able to start this program on Monday, March 17, 1997, we would plan on using the chief and selected staff from our analysis to provide continuity. We look forward to working with you and your people, and are convinced you will find it a rewarding experience.

Sincerely yours,

DEWOLFF, BOBERG & ASSOCIATES, INC.

Paul J C Buchert

James LaRue

SUMMARY OF ANALYSIS FINDINGS

OVERVIEW

This analysis was conducted for the LCSC operations in both Atlanta and Birmingham from March 3, 1997 to March 13, 1997. The purpose was to identify and quantify any opportunities that might exist to improve the operations as your volume and manpower ramps up to meet the forecasted volume. Our purpose was also to develop an approach that addressed these opportunities which was consistent with your vision for the LCSC operation at BellSouth.

We worked with managers and supervisors in their area. The receptivity of your management group and employees was excellent as they shared with us their process flow problems, training deficiencies and frustrations. We conducted behavioral analyses to determine how supervisors utilized their time, supported their people, and we identified the consequences of their management style. We performed a diagnostic assessment of your management organization to determine their attitudes concerning the roles and responsibilities of effective supervision. Our evaluation of your management operating systems was conducted by first determining the effectiveness of the system elements that exist, and second, by evaluating how well they are being utilized by management to crew the operation and resolve operating problems. We determined the current level of labor productivity and the root causes of many problems which diminish productivity. Employee skills analyses were conducted to identify training needs, the degree of flexibility, and management participation in organizational development. We also studied your employee training process by reviewing the systems and training techniques currently in use. We conducted detailed process mapping of two major products, on unbundled and a complicated resale order. This analysis of sample work processes defined the predictability of process compliance, procedures, practices, and the impact these have on productivity, service lead times and quality.

1. We conducted behavioral studies with all of your supervisors, spending a day working with them in their department. We concluded that supervisors spend very little time guiding, coaching, or training their people. They also have very limited control over the work flows and processes. We determined that most of their contact with their people was initiated by the employees and was generally spent in a reactive "fire fighting" mode. We did not observe any supervisor spending time training their employees or recognizing a job well done. We noted a direct correlation between the passive behaviors of the supervisors and the attitudes which we determined through our diagnostic questionnaire. The majority of their time is spent on administrative activities, from which we saw little added value, or was idle / available.

2. Our diagnostic assessment indicates that your supervisory level has a poor understanding of the concepts of proactive supervision, organizational development, and systems utilization. We believe this passive management style is a result of a lack of an effective management operating system in LCSC which would support their efforts to resolve operating problems and address training needs. We also noted the absence of management training programs which provide them with the skill sets necessary to function effectively in a start up operation such as LCSC.

3. Your LCSC management systems contain fragments of most of the basic elements required to control an order entry operation. However, although many of the elements exist, they will require significant upgrades to make them effective management tools. Those elements which could be effective such as assignment controls are not being used by management to identify root causes of productivity, quality and service problems. There are significant opportunities to improve the utilization of your systems by training management on how to identify process breakdowns, causes of rework, training needs and to provide employee feedback.

4. The productivity studies which were conducted with your service representatives indicate that there was a significant opportunity to improve your effective use of labor. This level of ineffective utilization is a result of unclear expectations, employee skills deficiencies, the lack of process documentation and control over the work flow. These problems are unnecessarily inflating your operating cost and limiting your ability to deliver a consistently high level of customer service. Excessive errors and rework are lowering the quality of your service due to missed dates and excessive lead times. The root causes of these problems continue without supervision identifying the problems or developing corrective action strategies.

5. Your employees are not effectively trained to maximize their skills and productivity. These training deficiencies are having a negative impact on both service and quality. We noted that employees must rely upon fellow employees to resolve training needs without the direction nor participation of the supervisors. This is limiting productivity as employees are constantly interrupting fellow workers to get help and direction. Many of your key jobs have insufficiently trained people to assure that employees can be assigned to meet volume requirements. This situation is especially acute as you look forward toward your anticipated ramp up of operations at the LCSC. The lack of supervisory participation is reflected in their poor attitude toward the subscale of employee development as noted in our diagnostics.

6. Our evaluation of your basic work processes in both resale and unbundled, indicated they lack process documentation, compliance, and the accuracy to provide a predictable, high quality output. We repeatedly observed employee skills deficiency and errors which is negatively impacting both productivity and quality. Your current level of quality is unnecessarily low. Due to numerous operating problems, training deficiencies and process non-compliance, this level of quality is inflating your operating costs per order, and contributing to delays in customer service. The current level of errors is alarming due to the low volume level and the fact that current employees whom we studied have been on their current jobs from four months to a year. These quality problems and errors are recurring several times per day without supervisory awareness or corrective action.

BELLSOUTH LCSC

ATLANTA - BIRMINGHAM
SUPERVISORY USE OF TIME

COLOR	DESCRIPTION
	SUPERVISING
	PROBLEM SOLVING
	ADMINISTRATIVE
	EMPLOYEE WORK
	IDLE / AVAILABLE

ACTUAL USE OF TIME
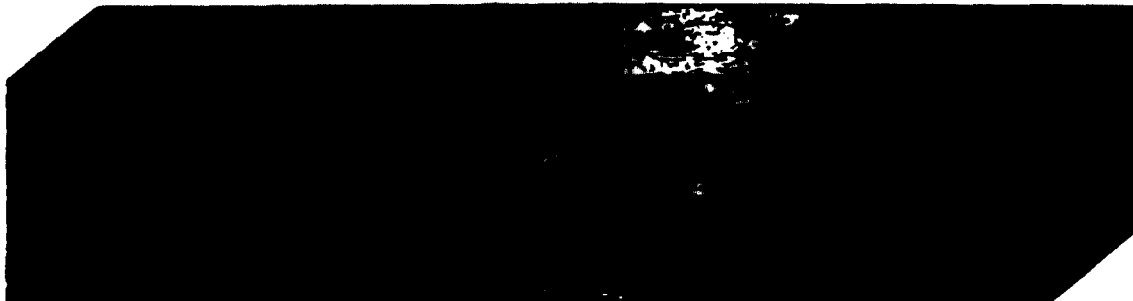
PERCEIVED ACTUAL USE OF TIME

PERCEIVED IDEAL USE OF TIME

SPECIFIC POINTS

1   Supervisors do not use their time to direct, coach or train their people. Their basic management style is passive or reactionary ,and they tend to deal only with the symptoms of recurring problems. When an employee does bring problems to their attention, supervisors often simply take the problem order upon themselves to solve and do not train. Our observation of supervisory behavior identified the following results.

-   Only 12% of their available time is spent in any type of supervisory interaction with their people. The range of time spent in supervisory interaction with their people was from 2 to 22%. The time that we did observe supervising was typically a reassignment of one persons' work to a fellow employee, due to training deficiencies, given to an employee without communicating any performance expectations. We did not see any supervisor actively train an employee, this corresponds to their attitude that they did not feel responsible for the development of their people. We saw no evidence of any supervisors attempting to reinforce/acknowledge high performance or motivating their people. This passive management style often results in the employees lacking direction and clear expectations, resulting in poor productivity, quality, and excessive lead-times which negatively impacts your levels of service.

- 37% of their time is spent responding to quality/operating problems or emergencies that are usually brought to their attention by their employees This problem solving activity was either always reactive, or responding to well established problems. We observed little time devoted to preemptive action to keep problems from occurring or recurring.   This "fire fighting" technique results in an approach to problem solving where supervisors address only the symptoms of the problem. We also noted that in the BellSouth culture, the supervisors often take orders which have problems into their office and solve them.   They do not train their people.   As a result, your problems tend to be recurring. We noted examples where this activity consumed from 14% to 40% of a supervisors' day.

- 38% of their time is spent in administrative functions such as meetings, phone calls; reports or other paperwork which provide little or no added value. Little of this time is spent in planning or analyzing the available date which would cause them to take action. This results in continued process flow problems caused by the lack of action taken to correct the problems in work processes.   Reporting variances to plan should be used as a management tool to focus resources on solving root causes of problems.   This process was not evident in our supervisory studies. We noted that in the situations where the supervisors spent as little as 31% of their time in administrative activities, the amount of time spent in supervisory interaction with their people ranged from 2% to 22%. This tends to indicate an avoidance management style since even when time was available for direct supervisory interaction with their people they avoided their people.

- 13% of their time is idle or available for other more productive activities. This indicates the supervisors have the time available to take a proactive approach to managing their areas of responsibility. This excessive idle time results in lower employee productivity and quality due to the lack of direct interaction with the employees. A couple of your supervisors spent a third of their time in this activity. In these situations, the amount of time spent in a supervisory interaction with their people was still minimal. The key points are the lack of identifying recurring operating problems, the lack of control over the process flow and the lack of support to their service representatives.

- Your supervisors perceive that they currently spend 35% of their time in supervisory functions and that ideally they would like to spend 35% of their time supervising. This perception is encouraging from the standpoint that they recognize they should be spending more time directing their people, but it is discouraging when compared to their actual time spent in any supervisory function (12%). They are doing what they believe they should be doing and the real problem is the lack of clarity in roles / responsibilities, poor skill sets and unclear expectations as to what they should be doing.

BELLSOUTH - LCSL
ATLANTA - BIRMINGHAM
DIAGNOSTIC ASSESSMENT OF SUPERVISORY SKILLS
OVERALL SCORES

■ SATISFACTORY	70% to 100%
▢ MARGINAL	60% to 69%
■ UNSATISFACTORY	0% to 59%

SUPERVISORS   MANAGERS   TOTAL

PERCENT APPROPRIATE RESPONSE

002778